

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

STARRED QUESTION NO:184
ANSWERED ON:26.07.2002
UNVIABILITY OF NTC MILLS
RAMJI LAL SUMAN;SUSHIL KUMAR INDORA

Will the Minister of TEXTILES be pleased to state:

- (a) whether the 66 units, out of total 119 units of the National Textile Corporation, have become unviable;
- (b) if so, the reasons therefore;
- (c) the annual production of these units and the total number of officers and other employees working in these units at present;
- (d) whether the Government propose disinvestments of these units to facilitate capital investment by the private sector; and
- (e) if so, the details therefore?

Answer

MINISTER OF TEXTILES (SHRI KASHIRAM RANA)

(a)to (e): A statement is laid on the table of the House.

STATEMENT REFERRED TO IN REPLY TO PART(a) TO (e) OF THE LOKSABHA STARRED QUESTION NO. 184 FOR 26.07.2002

(a): Yes, Sir.

(b): These mills had been incurring losses on account of uneconomic operation, high cost of production, inadequate working capital & obsolete machinery.

(c): 105.18 Lakh Kgs. Of yarn and 62.36 lakhs meters of cloth were produced in these mills during 2001-02. There were 32753 employees on roll as on 30.6.2002, out of which 427 were officers.

(d) & (e): Efforts made to revive these mills - through respective State Governments / Workers' Cooperatives and even through private sector on outright sale basis - did not elicit proper response. After exhausting all avenues for revival of these mills, BIFR has approved rehabilitation schemes consisting closure of these unviable units after giving Voluntary Retirement Scheme (VRS) to employees therein. This approach has helped in reviving maximum number of viable mills and subsidiaries.